

originally came through with, and that is up there in Section 1 where you changed "shall" to "may" is quite important. I think that is one that we're talking about, Senator Kelly, before, and that is essential that you do have this change. I'd urge you to adopt the Duis amendment.

SPEAKER LUEDTKE: Chair recognizes Senator Koch.

SENATOR KOCH: Mr. Speaker, members of the body. I have to support Senator George's position on this piece of legislation. We all know that the city can back any special assessment out of their general fund. By the same token, we also know that the city has a lid limitation on the general fund. A good bond counsel knows that they have a lid on the general fund, that general fund is the cause being made and exhausted. This gives them an opportunity to get a better rate upon that assessment for that special district by using a general obligation bond. What we're trying to do is provide some fiscal integrity for a city, whoever they may be. I can't believe, once again, we're questioning the integrity of local officials who live with the problem and know it better than we do. We're merely saying that this is a backup. That general fund is not without limitations and you all know it. The city that I live in, Ralston, right now is at their lid limit on general funds. They're making special improvement districts and they're going to use g.o.'s and they're going to do it by ordinance. If people don't like the ordinance they can be there at the hearing and they can disapprove or approve and they won't pass that ordinance. All we're trying to do is provide some fiscal responsibility to go along with the local officials who know that system best. This is generally good for the cities. I don't believe we're going to have any call on these except if we want to provide our citizens a savings in terms of the interest rate that is going to be charged for the bond for a special district. Therefore, I support the Chairman of the Urban Affairs Committee, Senator George, in his position.

SPEAKER LUEDTKE: Chair recognizes Senator George.

SENATOR GEORGE: Just one more brief comment, Mr. Chairman. I've heard a lot of philosophies and a lot of theories about it, and I don't even disagree with it. If you just look upon that in philosophy and theory, why should we obligate the city. In the history of the State of Nebraska that has never happened that the general fund or general obligation bonds had to back it up. The simple answer is that if we can pass this bill the development of sewer districts simply will be cheaper to the citizens in first class cities, and that is what we are after, not the philosophy, not the theory.

SPEAKER LUEDTKE: Senator Koch, you didn't wish to speak again, did you? Alright. That will then conclude all the speakers. Senator Duis, would you close on your amendment, number two amendment on 483. Senator Duis.

SENATOR DUIS: Thank you very much, Mr. President, members of the Legislature. Senator Koch, I am sorry you made the remark on integrity because I, in no way, in any way, shape or form have anything to say about the integrity. I think the integrity is there. What the situation here is, it should not be a general obligation bond because the credit of the city